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NSC FOR DAN FISK USTR FOR AMBASSADOR PORTMAN, SUSAN SCHWAB, BENNETT HARMAN COMMERCE FOR SECRETARY GUTIERREZ STATE FOR DEPUTY SECRETARY ZOELLICK

E.O. 12958: DECL: 03/24/2014 TAGS: <u>ETRD ECON EINV PGOV PE</u>

SUBJECT: GOP STILL SORTING ITSELF OUT ON FTA SIGNING DATE

REF: A. LIMA 1096

¶B. LIMA 1149

Classified By: Ambassador J. Curtis Struble. Reasons: 1.4 (b/d).

- 11. (C) The Ambassador met with Prime Minister Kuczynski on March 22 to discuss possible dates for an FTA signing. Kuczynski had been briefed by President Toledo on the Ambassador's private meeting with him a week earlier (ref A). Kuczynski said that Toledo has moved from determination to sign on April 7 to uncertainty. The President had asked the opinion of his ministers during a cabinet meeting the morning of March 22. The only voices in favor of an April 7 date, Kuczynski said, are coming from Trade Minister Alfredo Ferrero and Ambassador Eduardo Ferrero in Washington. Kuczynski thought it would take the President several more days to make up his mind.
- 12. (C) On the evening of March 23, one of UN Presidential Candidate Lourdes Flores' chief advisors sought out the Ambassador to pass on a message from the candidate asking that the United States not sign the FTA until after the first round.
- 13. (U) On March 24, for the first time, President Toledo told the media that he is evaluating the possibility of postponing the signing of the U.S. trade deal until after the April 9 national elections. He noted that he has a commitment to the U.S. Congress and White House, but for him the elections are of utmost importance. If this means that we have to postpone the signing, we will evaluate it, he said.

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